

FISCAL IMPACT STATEMENT ON BILL NO. **S. 44**

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TO:	The Honorable Daniel B. "Danny" Verdin, III, Chairman, Senate Agriculture and Natural Resources Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	R.J. Stein		
DATE:	March 9, 2009	SBD:	2009211

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AUTHOR:	Senator Ford	PRIMARY CODE CITE:	48-43-395
SUBJECT:	Offshore Oil and Gas Drilling Permits		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

A Cost of Federal and/or Other Funds (See Below)

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**BILL SUMMARY:**

Senate Bill 44 amends Chapter 43, Title 48 of the Code of Laws of South Carolina, 1976, relating to oil and gas exploration. The Bill declares that a person may engage in offshore exploration, drilling or production of oil or gas in the Atlantic Ocean within the territorial jurisdiction of South Carolina, contingent upon the removal of federal restrictions. The Bill also declares that the Department of Health & Environmental Control shall expedite such permit applications.

**EXPLANATION OF IMPACT:**

The Department of Health & Environmental Control reports that in order to expedite the permitting process, it would require 1.00 additional FTE at an estimated cost of \$67,648 annually (including \$54,118 for salary and fringes and \$13,530 for operating expenses. Federal funds are available for this purpose; however, there is a 50:50 match requirement. The impact on the State General Fund would be \$33,824 and 0.50 FTE.

**LOCAL GOVERNMENT IMPACT:**

None.

**SPECIAL NOTES:**

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this Bill.

Approved by:



Harry Bell  
Assistant Director, Office of State Budget